

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HOUSE BILL 2700

AN ACT

AMENDING SECTIONS 15-185, 15-391, 15-393 AND 15-395, ARIZONA REVISED STATUTES; AMENDING SECTION 15-782.02, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2004, CHAPTER 263, SECTION 3; AMENDING SECTIONS 15-789 AND 15-910.01, ARIZONA REVISED STATUTES; RELATING TO JOINT TECHNOLOGICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-185, Arizona Revised Statutes, is amended to
3 read:

4 15-185. Charter schools; financing; definitions

5 A. Financial provisions for a charter school that is sponsored by a
6 school district governing board are as follows:

7 1. The charter school shall be included in the district's budget and
8 financial assistance calculations pursuant to paragraph 3 of this subsection
9 and chapter 9 of this title, except for chapter 9, article 4 of this
10 title. The charter of the charter school shall include a description of the
11 methods of funding the charter school by the school district. The school
12 district shall send a copy of the charter and application, including a
13 description of how the school district plans to fund the school, to the state
14 board of education before the start of the first fiscal year of operation of
15 the charter school. The charter or application shall include an estimate of
16 the student count for the charter school for its first fiscal year of
17 operation. This estimate shall be computed pursuant to the requirements of
18 paragraph 3 of this subsection.

19 2. A school district is not financially responsible for any charter
20 school that is sponsored by the state board of education or the state board
21 for charter schools.

22 3. A school district that sponsors a charter school may:

23 (a) Increase its student count as provided in subsection B, paragraph
24 2 of this section during the first year of the charter school's operation to
25 include those charter school pupils who were not previously enrolled in the
26 school district. A charter school sponsored by a school district governing
27 board is eligible for the assistance prescribed in subsection B, paragraph 4
28 of this section. The soft capital allocation as provided in section 15-962
29 for the school district sponsoring the charter school shall be increased by
30 the amount of the additional assistance. The school district shall include
31 the full amount of the additional assistance in the funding provided to the
32 charter school.

33 (b) Compute separate weighted student counts pursuant to section
34 15-943, paragraph 2, subdivision (a) for its noncharter school versus charter
35 school pupils in order to maintain eligibility for small school district
36 support level weights authorized in section 15-943, paragraph 1 for its
37 noncharter school pupils only. The portion of a district's student count
38 that is attributable to charter school pupils is not eligible for small
39 school district support level weights.

40 4. If a school district uses the provisions of paragraph 3 of this
41 subsection, the school district is not eligible to include those pupils in
42 its student count for the purposes of computing an increase in its revenue
43 control limit and district support level as provided in section 15-948.

44 5. A school district that sponsors a charter school is not eligible to
45 include the charter school pupils in its student count for the purpose of

1 computing an increase in its capital outlay revenue limit as provided in
2 section 15-961, subsection C, except that if the charter school was
3 previously a school in the district, the district may include in its student
4 count any charter school pupils who were enrolled in the school district in
5 the prior year.

6 6. A school district that sponsors a charter school is not eligible to
7 include the charter school pupils in its student count for the purpose of
8 computing the revenue control limit which is used to determine the maximum
9 budget increase as provided in chapter 4, article 4 of this title unless the
10 charter school is located within the boundaries of the school district.

11 7. If a school district converts one or more of its district public
12 schools to a charter school and receives assistance as prescribed in
13 subsection B, paragraph 4 of this section, and subsequently converts the
14 charter school back to a district public school, the school district shall
15 repay the state the total additional assistance received for the charter
16 school for all years that the charter school was in operation. The repayment
17 shall be in one lump sum and shall be reduced from the school district's
18 current year equalization assistance. The school district's general budget
19 limit shall be reduced by the same lump sum amount in the current year.

20 B. Financial provisions for a charter school that is sponsored by the
21 state board of education or the state board for charter schools are as
22 follows:

23 1. The charter school shall calculate a base support level as
24 prescribed in section 15-943, except that sections 15-941 and 15-942 do not
25 apply to these charter schools.

26 2. Notwithstanding paragraph 1 of this subsection, the student count
27 shall be determined initially using an estimated student count based on
28 actual registration of pupils before the beginning of the school year. After
29 the first one hundred days or two hundred days in session, as applicable, the
30 charter school shall revise the student count to be equal to the actual
31 average daily membership, as defined in section 15-901, or the adjusted
32 average daily membership, as prescribed in section 15-902, of the charter
33 school. Before the one hundredth day or two hundredth day in session, as
34 applicable, the state board of education or the state board for charter
35 schools may require a charter school to report periodically regarding pupil
36 enrollment and attendance and the department of education may revise its
37 computation of equalization assistance based on the report. A charter school
38 shall revise its student count, base support level and additional assistance
39 before May 15. A charter school that overestimated its student count shall
40 revise its budget before May 15. A charter school that underestimated its
41 student count may revise its budget before May 15.

42 3. A charter school may utilize section 15-855 for the purposes of
43 this section. The charter school and the department of education shall
44 prescribe procedures for determining average daily attendance and average
45 daily membership.

1 4. Equalization assistance for the charter school shall be determined
2 by adding the amount of the base support level and additional assistance.
3 The amount of the additional assistance is one thousand three hundred thirty
4 dollars five cents per student count in kindergarten programs and grades one
5 through eight and one thousand five hundred fifty dollars fourteen cents per
6 student count in grades nine through twelve.

7 5. The state board of education shall apportion state aid from the
8 appropriations made for such purposes to the state treasurer for disbursement
9 to the charter schools in each county in an amount as determined by this
10 paragraph. The apportionments shall be made in twelve equal installments of
11 the total amount to be apportioned during the fiscal year on the fifteenth
12 day of each month of the fiscal year.

13 6. Notwithstanding paragraph 5 of this subsection, if sufficient
14 appropriated monies are available after the first forty days in session of
15 the current year, a charter school may request additional state monies to
16 fund the increased state aid due to anticipated student growth through the
17 first one hundred days or two hundred days in session, as applicable, of the
18 current year as provided in section 15-948. In no event shall a charter
19 school have received more than three-fourths of its total apportionment
20 before April 15 of the fiscal year. Early payments pursuant to this
21 subsection must be approved by the state treasurer, the director of the
22 department of administration and the superintendent of public instruction.

23 7. The charter school shall not charge tuition, levy taxes or issue
24 bonds.

25 8. Not later than noon on the day preceding each apportionment date
26 established by paragraph 5 of this subsection, the superintendent of public
27 instruction shall furnish to the state treasurer an abstract of the
28 apportionment and shall certify the apportionment to the department of
29 administration, which shall draw its warrant in favor of the charter schools
30 for the amount apportioned.

31 C. If a pupil is enrolled in both a charter school and a public school
32 that is not a charter school, the sum of the daily membership, which includes
33 enrollment as prescribed in section 15-901, subsection A, paragraph 2,
34 subdivisions (a) and (b) and daily attendance as prescribed in section
35 15-901, subsection A, paragraph 6, for that pupil in the school district and
36 the charter school shall not exceed 1.0, EXCEPT THAT IF THE PUPIL IS ENROLLED
37 IN BOTH A CHARTER SCHOOL AND A JOINT TECHNOLOGICAL EDUCATION DISTRICT, THE
38 SUM OF THE AVERAGE DAILY MEMBERSHIP FOR THAT PUPIL IN THE CHARTER SCHOOL AND
39 THE JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL NOT EXCEED 1.5. If a pupil
40 is enrolled in both a charter school and a public school that is not a
41 charter school, the department of education shall direct the average daily
42 membership to the school with the most recent enrollment date. Upon
43 validation of actual enrollment in both a charter school and a public school
44 that is not a charter school and if the sum of the daily membership or daily
45 attendance for that pupil is greater than 1.0, the sum shall be reduced to

1 1.0 and shall be apportioned between the public school and the charter school
2 based on the percentage of total time that the pupil is enrolled or in
3 attendance in the public school and the charter school, EXCEPT THAT IF THE
4 PUPIL IS ENROLLED IN BOTH A CHARTER SCHOOL AND A JOINT TECHNOLOGICAL
5 EDUCATION DISTRICT, THE SUM OF THE AVERAGE DAILY MEMBERSHIP FOR THAT PUPIL IN
6 THE CHARTER SCHOOL AND THE JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL BE
7 REDUCED TO 1.5 AND SHALL BE APPORTIONED BETWEEN THE CHARTER SCHOOL AND THE
8 JOINT TECHNOLOGICAL EDUCATION DISTRICT BASED ON THE PERCENTAGE OF TOTAL TIME
9 THAT THE PUPIL IS ENROLLED OR IN ATTENDANCE IN THE CHARTER SCHOOL AND THE
10 JOINT TECHNOLOGICAL EDUCATION DISTRICT. The uniform system of financial
11 records shall include guidelines for the apportionment of the pupil
12 enrollment and attendance as provided in this section.

13 D. Charter schools are allowed to accept grants and gifts to
14 supplement their state funding, but it is not the intent of the charter
15 school law to require taxpayers to pay twice to educate the same pupils. The
16 base support level for a charter school or for a school district sponsoring a
17 charter school shall be reduced by an amount equal to the total amount of
18 monies received by a charter school from a federal or state agency if the
19 federal or state monies are intended for the basic maintenance and operations
20 of the school. The superintendent of public instruction shall estimate the
21 amount of the reduction for the budget year and shall revise the reduction to
22 reflect the actual amount before May 15 of the current year. If the
23 reduction results in a negative amount, the negative amount shall be used in
24 computing all budget limits and equalization assistance, except that:

25 1. Equalization assistance shall not be less than zero.

26 2. For a charter school sponsored by the state board of education or
27 the state board for charter schools, the total of the base support level, the
28 capital outlay revenue limit, the soft capital allocation and the additional
29 assistance shall not be less than zero.

30 3. For a charter school sponsored by a school district, the base
31 support level for the school district shall not be reduced by more than the
32 amount that the charter school increased the district's base support level,
33 capital outlay revenue limit and soft capital allocation.

34 E. If a charter school was a district public school in the prior year
35 and is now being operated for or by the same school district and sponsored by
36 the state board of education, the state board for charter schools or a school
37 district governing board, the reduction in subsection D of this section
38 applies. The reduction to the base support level of the charter school or
39 the sponsoring district of the charter school shall equal the sum of the base
40 support level and the additional assistance received in the current year for
41 those pupils who were enrolled in the traditional public school in the prior
42 year and are now enrolled in the charter school in the current year.

43 F. Equalization assistance for charter schools shall be provided as a
44 single amount based on average daily membership without categorical
45 distinctions between maintenance and operations or capital.

1 G. At the request of a charter school, the county school
2 superintendent of the county where the charter school is located may provide
3 the same educational services to the charter school as prescribed in section
4 15-308, subsection A. The county school superintendent may charge a fee to
5 recover costs for providing educational services to charter schools.

6 H. If the sponsor of the charter school determines at a public meeting
7 that the charter school is not in compliance with federal law, with the laws
8 of this state or with its charter, the sponsor of a charter school may submit
9 a request to the department of education to withhold up to ten per cent of
10 the monthly apportionment of state aid that would otherwise be due the
11 charter school. The department of education shall adjust the charter
12 school's apportionment accordingly. The sponsor shall provide written notice
13 to the charter school at least seventy-two hours before the meeting and shall
14 allow the charter school to respond to the allegations of noncompliance at
15 the meeting before the sponsor makes a final determination to notify the
16 department of education of noncompliance. The charter school shall submit a
17 corrective action plan to the sponsor on a date specified by the sponsor at
18 the meeting. The corrective action plan shall be designed to correct
19 deficiencies at the charter school and to ensure that the charter school
20 promptly returns to compliance. When the sponsor determines that the charter
21 school is in compliance, the department of education shall restore the full
22 amount of state aid payments to the charter school.

23 I. A charter school may receive and spend monies distributed by the
24 department of education pursuant to section 42-5029, subsection E and section
25 37-521, subsection B.

26 J. For the purposes of this section:

27 1. "Monies intended for the basic maintenance and operations of the
28 school" means monies intended to provide support for the educational program
29 of the school, except that it does not include supplemental assistance for a
30 specific purpose or P.L. 81-874 monies. The auditor general shall determine
31 which federal or state monies meet the definition in this paragraph.

32 2. "Operated for or by the same school district" means the charter
33 school is either governed by the same district governing board or operated by
34 the district in the same manner as other traditional schools in the district
35 or is operated by an independent party that has a contract with the school
36 district. The auditor general and the department of education shall
37 determine which charter schools meet the definition in this subsection.

38 Sec. 2. Section 15-391, Arizona Revised Statutes, is amended to read:

39 15-391. Definitions

40 In this article, unless the context otherwise requires:

41 1. "Joint board" means a joint technological education district
42 governing board.

43 2. "Joint district" means a joint technological education district.

1 3. "JOINT TECHNOLOGICAL EDUCATION COURSE" MEANS A COURSE THAT IS
2 OFFERED BY A JOINT TECHNOLOGICAL EDUCATION DISTRICT AND THAT MEETS EACH OF
3 THE FOLLOWING REQUIREMENTS:

4 (a) IS DESIGNED TO DIRECTLY LEAD THE STUDENT TOWARD A SPECIFIC CAREER,
5 VOCATION OR INDUSTRY.

6 (b) IS TAUGHT BY AN INSTRUCTOR WHO IS CERTIFIED TO TEACH CAREER AND
7 TECHNICAL EDUCATION BY THE STATE BOARD OF EDUCATION OR BY A POSTSECONDARY
8 EDUCATIONAL INSTITUTION.

9 (c) REQUIRES SPECIALIZED EQUIPMENT.

10 (d) IS DESIGNED TO LEAD THE STUDENT TOWARD CERTIFICATION THAT IS
11 ACCEPTED BY A VOCATION OR INDUSTRY AS A DEMONSTRATION OF SKILL OR COMPETENCY
12 IN THAT VOCATION OR INDUSTRY.

13 (e) REQUIRES STUDENTS TO OBTAIN A PASSING SCORE ON AN EXAMINATION THAT
14 DEMONSTRATES A LEVEL OF SKILL OR COMPETENCY FOR THAT PROGRAM OF STUDY THAT IS
15 ACCEPTED BY A VOCATION OR AN INDUSTRY.

16 (f) MEETS THE STANDARDS OF A CAREER PREPARATORY VOCATIONAL PROGRAM AS
17 DETERMINED BY THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT
18 OF EDUCATION.

19 (g) IS CERTIFIED BY THE JOINT TECHNOLOGICAL EDUCATION DISTRICT
20 GOVERNING BOARD AS HAVING MET ALL THE REQUIREMENTS OF THIS ARTICLE.

21 (h) IS EITHER APPROVED BY THE CAREER AND TECHNICAL EDUCATION DIVISION
22 OF THE DEPARTMENT OF EDUCATION BASED ON THE REQUIREMENTS PRESCRIBED IN THIS
23 PARAGRAPH WITHIN NINETY DAYS AFTER THE SUBMISSION OF ALL REQUIRED
24 DOCUMENTATION OR IS DEEMED AUTOMATICALLY APPROVED IF THE COURSE SUBMITTED BY
25 A JOINT TECHNOLOGICAL EDUCATION DISTRICT FOR APPROVAL BY THE CAREER AND
26 TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION IS NOT ACTED ON
27 WITHIN NINETY DAYS AFTER SUBMISSION.

28 (i) IS ONLY OFFERED TO STUDENTS IN GRADES NINE, TEN, ELEVEN AND
29 TWELVE.

30 4. "JOINT TECHNOLOGICAL EDUCATION DISTRICT" MEANS A DISTRICT THAT IS
31 FORMED PURSUANT TO THIS ARTICLE AND THAT OFFERS JOINT TECHNOLOGICAL EDUCATION
32 COURSES.

33 ~~3.~~ 5. "State board" means the state board of education.

34 Sec. 3. Section 15-393, Arizona Revised Statutes, is amended to read:

35 15-393. Joint technological education district governing board;
36 definition

37 A. The management and control of the joint district are vested in the
38 joint technological education district governing board, INCLUDING THE CONTENT
39 AND QUALITY OF THE COURSES OFFERED BY THE DISTRICT, THE QUALITY OF TEACHERS
40 WHO PROVIDE INSTRUCTION ON BEHALF OF THE DISTRICT, THE SALARIES OF TEACHERS
41 WHO PROVIDE INSTRUCTION ON BEHALF OF THE DISTRICT AND THE REIMBURSEMENT OF
42 OTHER ENTITIES FOR THE FACILITIES USED BY THE DISTRICT. Unless the governing
43 boards of the school districts participating in the formation of the joint
44 district vote to implement an alternative election system as provided in
45 subsection B of this section, the joint board shall consist of five members

1 elected from five single member districts formed within the joint
2 district. The single member district election system shall be submitted as
3 part of the plan for the joint district pursuant to section 15-392 and shall
4 be established in the plan as follows:

5 1. The governing boards of the school districts participating in the
6 formation of the joint district shall define the boundaries of the single
7 member districts so that the single member districts are as nearly equal in
8 population as is practicable, except that if the joint district lies in part
9 in each of two or more counties, at least one single member district may be
10 entirely within each of the counties comprising the joint district if this
11 district design is consistent with the obligation to equalize the population
12 among single member districts.

13 2. The boundaries of each single member district shall follow election
14 precinct boundary lines, as far as practicable, in order to avoid further
15 segmentation of the precincts.

16 3. A person who is a registered voter of this state and who is a
17 resident of the single member district is eligible for election to the office
18 of joint board member from the single member district. The terms of office
19 of the members of the joint board shall be as prescribed in section 15-427,
20 subsection B. NO EMPLOYEE OF A JOINT TECHNOLOGICAL EDUCATION DISTRICT OR THE
21 SPOUSE OF AN EMPLOYEE MAY HOLD MEMBERSHIP ON A GOVERNING BOARD OF A JOINT
22 TECHNOLOGICAL EDUCATION DISTRICT BY WHICH THE EMPLOYEE IS EMPLOYED. A MEMBER
23 OF ONE SCHOOL DISTRICT GOVERNING BOARD OR JOINT TECHNOLOGICAL EDUCATION
24 DISTRICT GOVERNING BOARD IS INELIGIBLE TO BE A CANDIDATE FOR NOMINATION OR
25 ELECTION TO OR SERVE SIMULTANEOUSLY AS A MEMBER OF ANY OTHER GOVERNING BOARD,
26 EXCEPT THAT A MEMBER OF A GOVERNING BOARD MAY BE A CANDIDATE FOR NOMINATION
27 OR ELECTION FOR ANY OTHER GOVERNING BOARD IF THE MEMBER IS SERVING IN THE
28 LAST YEAR OF A TERM OF OFFICE. A MEMBER OF A GOVERNING BOARD SHALL RESIGN
29 THE MEMBER'S SEAT ON THE GOVERNING BOARD BEFORE BECOMING A CANDIDATE FOR
30 NOMINATION OR ELECTION TO THE GOVERNING BOARD OF ANY OTHER SCHOOL DISTRICT OR
31 JOINT TECHNOLOGICAL EDUCATION DISTRICT, UNLESS THE MEMBER OF THE GOVERNING
32 BOARD IS SERVING IN THE LAST YEAR OF A TERM OF OFFICE.

33 4. Nominating petitions shall be signed by the number of qualified
34 electors of the single member district as provided in section 16-322.

35 B. The governing boards of the school districts participating in the
36 formation of the joint district may vote to implement any other alternative
37 election system for the election of joint district board members. If an
38 alternative election system is selected, it shall be submitted as part of the
39 plan for the joint district pursuant to section 15-392, and the
40 implementation of the system shall be as approved by the United States
41 justice department.

42 C. The joint technological education district shall be subject to the
43 following provisions of this title:

44 1. Chapter 1, articles 1 through 6.

45 2. Sections 15-208, 15-210, 15-213 and 15-234.

- 1 3. Articles 2, 3 and 5 of this chapter.
- 2 4. Section 15-361.
- 3 5. Chapter 4, articles 1, 2 and 5.
- 4 6. Chapter 5, articles 1, 2 and 3.
- 5 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729
- 6 and 15-730.
- 7 8. Chapter 7, article 5.
- 8 9. Chapter 8, articles 1, 3 and 4.
- 9 10. Sections 15-828 and 15-829.
- 10 11. Chapter 9, articles 1, 6 and 7.
- 11 12. Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
- 12 13. Sections 15-1101 and 15-1104.
- 13 14. Chapter 10, articles 2, 3, 4 and 8.
- 14 D. Notwithstanding subsection C of this section, the following apply
- 15 to a joint technological education district:
- 16 1. A joint district may issue bonds for the purposes specified in
- 17 section 15-1021 and in chapter 4, article 5 of this title to an amount in the
- 18 aggregate, including the existing indebtedness, not exceeding one per cent of
- 19 the taxable property used for secondary tax purposes, as determined pursuant
- 20 to title 42, chapter 15, article 1, within the joint technological education
- 21 district as ascertained by the last property tax assessment previous to
- 22 issuing the bonds.
- 23 2. The number of governing board members for a joint district shall be
- 24 as prescribed in subsection A of this section.
- 25 3. If a career and technical education and vocational education course
- 26 or program provided pursuant to this article is provided in a facility owned
- 27 or operated by a school district in which a pupil is enrolled, including
- 28 satellite courses, the sum of the daily attendance, as provided in section
- 29 15-901, subsection A, paragraph 6, for that pupil in both the school district
- 30 and joint technological education district shall not exceed ~~1.250~~ 1.5 and the
- 31 sum of the fractional student enrollment, as provided in section 15-901,
- 32 subsection A, paragraph 2, subdivision (a), shall not exceed ~~1.250~~ 1.5 for
- 33 the courses taken in the school district and the facility, including
- 34 satellite courses. The school district and the joint district shall
- 35 determine the apportionment of the daily attendance and fractional student
- 36 enrollment for that pupil between the school district and the joint district.
- 37 4. The student count for the first year of operation of a joint
- 38 technological education district as provided in this article shall be
- 39 determined as follows:
- 40 (a) Determine the estimated student count for joint district classes
- 41 that will operate in the first year of operation. This estimate shall be
- 42 based on actual registration of pupils as of March 30 scheduled to attend
- 43 classes that will be operated by the joint district. The student count for
- 44 the district of residence of the pupils registered at the joint district
- 45 shall be adjusted. The adjustment shall cause the district of residence to

1 reduce the student count for the pupil to reflect the courses to be taken at
2 the joint district. The district of residence shall review and approve the
3 adjustment of its own student count as provided in this subdivision before
4 the pupils from the school district can be added to the student count of the
5 joint district.

6 (b) The student count for the new joint district shall be the student
7 count as determined in subdivision (a) [OF THIS PARAGRAPH](#).

8 (c) After the first one hundred days or two hundred days in session,
9 as applicable, for the first year of operation, the joint district shall
10 revise the student count to the actual student count for students attending
11 classes in the joint district. A joint district shall revise its student
12 count, the base support level as provided in section 15-943.02, the revenue
13 control limit as provided in section 15-944.01, the capital outlay revenue
14 limit and the soft capital allocation as provided in section 15-962.01 prior
15 to May 15. A joint district that overestimated its student count shall
16 revise its budget prior to May 15. A joint district that underestimated its
17 student count may revise its budget prior to May 15.

18 (d) After the first one hundred days or two hundred days in session,
19 as applicable, for the first year of operation, the district of residence
20 shall adjust its student count by reducing it to reflect the courses actually
21 taken at the joint district. The district of residence shall revise its
22 student count, the base support level as provided in section 15-943, the
23 revenue control limit as provided in section 15-944, the capital outlay
24 revenue limit as provided in section 15-961 and the soft capital allocation
25 as provided in section 15-962 prior to May 15. A district that
26 underestimated the student count for students attending the joint district
27 shall revise its budget prior to May 15. A district that overestimated the
28 student count for students attending the joint district may revise its budget
29 prior to May 15.

30 (e) A joint district for the first year of operation shall not be
31 eligible for adjustment pursuant to section 15-948.

32 (f) The procedures for implementing this paragraph shall be as
33 prescribed in the uniform system of financial records.

34 (g) If the district of residence utilizes section 15-942 to determine
35 its student count, the district shall reduce its student count as provided in
36 this paragraph by subtracting the appropriate count from the student count
37 determined as provided in section 15-942.

38 For the purposes of this paragraph, "district of residence" means the
39 district that included the pupil in its average daily membership for the year
40 before the first year of operation of the joint district and that would have
41 included the pupil in its student count for the purposes of computing its
42 base support level for the fiscal year of the first year of operation of the
43 joint district if the pupil had not enrolled in the joint district.

1 5. A student includes any person enrolled in the joint district
2 without regard to the person's age or high school graduation status, except
3 that:

4 (a) A student in a kindergarten program or in grades one through eight
5 who enrolls in courses offered by the joint technological education district
6 shall not be included in the joint district's average daily attendance or
7 average daily membership.

8 (b) A student in a kindergarten program or in grades one through six
9 who is enrolled in vocational education courses shall not be funded in whole
10 or in part with monies provided by a joint technological education district.

11 (c) A student who is over twenty-two years of age shall not be
12 included in the student count of the joint district for the purposes of
13 chapter 9, articles 3, 4 and 5 of this title.

14 (d) A STUDENT IN GRADE NINE WHO ENROLLS IN A CAREER EXPLORATION COURSE
15 SHALL NOT BE INCLUDED IN THE JOINT DISTRICT'S AVERAGE DAILY ATTENDANCE OR
16 AVERAGE DAILY MEMBERSHIP.

17 6. A joint district may operate for more than one hundred seventy-five
18 days per year, with expanded hours of service.

19 7. A joint district may use the excess utility costs provisions of
20 section 15-910 in the same manner as a school district for fiscal years
21 1999-2000 and 2000-2001, except that the base year shall be the first full
22 fiscal year of operations.

23 8. A joint district may use the carryforward provisions of section
24 15-943.01 retroactively to July 1, 1993.

25 9. A school district that is part of a joint district shall use any
26 monies received pursuant to this article to supplement and not supplant base
27 year career and technical education and vocational education courses, and
28 directly related equipment and facilities, except that a school district that
29 is part of a joint technological education district and that has used monies
30 received pursuant to this article to supplant career and technological
31 education and vocational education courses that were offered before the first
32 year that the school district participated in the joint district or the first
33 year that the school district used monies received pursuant to this article
34 or that used the monies for purposes other than for career and technological
35 education and vocational education courses shall:

36 (a) Use at least thirty-three per cent of the monies received pursuant
37 to this article in fiscal year 2005-2006 to supplement and not supplant base
38 year career and technical education and vocational education courses.

39 (b) Use at least sixty-six per cent of the monies received pursuant to
40 this article in fiscal year 2006-2007 to supplement and not supplant base
41 year career and technical education and vocational education courses.

42 (c) Use one hundred per cent of the monies received pursuant to this
43 article in fiscal year 2007-2008 and each fiscal year thereafter to
44 supplement and not supplant base year career and technical education and
45 vocational education courses.

1 10. A joint technological education district shall use any monies
2 received pursuant to this article to enhance career and technical education
3 and vocational education courses, ~~and~~ and directly related equipment and
4 facilities.

5 11. A joint technological education district or a school district that
6 is part of a joint district shall only include pupils in grades nine through
7 twelve in the calculation of average daily membership or average daily
8 attendance if the pupils are enrolled in courses that are approved jointly by
9 the governing board of the joint technological education district and each
10 participating school district for satellite courses taught within the
11 participating school district, or approved solely by the joint technological
12 education district for centrally located courses. Average daily membership
13 and average daily attendance from courses that are not part of an approved
14 program for career and technical education shall not be included in average
15 daily membership and average daily attendance of a joint technological
16 education district. A STUDENT IN GRADE NINE WHO ENROLLS IN A CAREER
17 EXPLORATION COURSE SHALL NOT BE INCLUDED IN THE JOINT DISTRICT'S AVERAGE
18 DAILY ATTENDANCE OR AVERAGE DAILY MEMBERSHIP.

19 E. The joint board shall appoint a superintendent as the executive
20 officer of the joint district.

21 F. Taxes may be levied for the support of the joint district as
22 prescribed in chapter 9, article 6 of this title, EXCEPT THAT A JOINT
23 TECHNOLOGICAL EDUCATION DISTRICT SHALL NOT LEVY A PROPERTY TAX PURSUANT TO
24 LAW THAT EXCEEDS FIVE CENTS PER ONE HUNDRED DOLLARS ASSESSED VALUATION AND
25 EXCLUDING MONIES TO PROVIDE FOR THE UNDER COLLECTION OF SECONDARY TAXES FROM
26 PREVIOUS YEARS, BOND MONIES PURSUANT TO SECTION 15-393, SUBSECTION D,
27 PARAGRAPH 1, LEVIES FOR ADJACENT WAYS PURSUANT TO SECTION 15-995 AND MONIES
28 FOR EXCESS UTILITIES PURSUANT TO SECTION 15-910. Except for the taxes levied
29 pursuant to section 15-994, such taxes shall be obtained from a levy of taxes
30 on the taxable property used for secondary tax purposes.

31 G. The schools in the joint district are available to all persons who
32 reside in the joint district subject to the rules for admission prescribed by
33 the joint board.

34 H. The joint board may collect tuition for adult students and the
35 attendance of pupils who are residents of school districts that are not
36 participating in the joint district pursuant to arrangements made between the
37 governing board of the district and the joint board.

38 I. The joint board may accept gifts, grants, federal monies, tuition
39 and other allocations of monies to erect, repair and equip buildings and for
40 the cost of operation of the schools of the joint district.

41 J. One member of the joint board shall be selected chairman. The
42 chairman shall be selected annually on a rotation basis from among the
43 participating school districts. The chairman of the joint board shall be a
44 voting member.

1 K. A joint board and a community college district may enter into
2 agreements for the provision of administrative, operational and educational
3 services and facilities.

4 L. ANY AGREEMENT BETWEEN THE GOVERNING BOARD OF A JOINT TECHNOLOGICAL
5 EDUCATION DISTRICT AND ANOTHER JOINT TECHNOLOGICAL EDUCATION DISTRICT, A
6 SCHOOL DISTRICT, A CHARTER SCHOOL OR A COMMUNITY COLLEGE DISTRICT SHALL BE IN
7 THE FORM OF AN INTERGOVERNMENTAL AGREEMENT OR OTHER WRITTEN CONTRACT. THE
8 AUDITOR GENERAL SHALL MODIFY THE UNIFORM SYSTEM OF FINANCIAL RECORDS AND
9 BUDGET FORMS IN ACCORDANCE WITH THIS SUBSECTION. THE INTERGOVERNMENTAL
10 AGREEMENT OR OTHER WRITTEN CONTRACT SHALL COMPLETELY AND ACCURATELY SPECIFY
11 EACH OF THE FOLLOWING:

12 1. THE FINANCIAL PROVISIONS OF THE INTERGOVERNMENTAL AGREEMENT OR
13 OTHER WRITTEN CONTRACT AND THE FORMAT FOR THE BILLING OF ALL SERVICES.

14 2. THE ACCOUNTABILITY PROVISIONS OF THE INTERGOVERNMENTAL AGREEMENT OR
15 OTHER WRITTEN CONTRACT.

16 3. THE RESPONSIBILITIES OF EACH JOINT TECHNOLOGICAL EDUCATION
17 DISTRICT, EACH SCHOOL DISTRICT, EACH CHARTER SCHOOL AND EACH COMMUNITY
18 COLLEGE DISTRICT THAT IS A PARTY TO THE INTERGOVERNMENTAL AGREEMENT OR OTHER
19 WRITTEN CONTRACT.

20 4. THE TYPE OF INSTRUCTION THAT WILL BE PROVIDED UNDER THE
21 INTERGOVERNMENTAL AGREEMENT OR OTHER WRITTEN CONTRACT.

22 5. THE QUALITY OF THE INSTRUCTION THAT WILL BE PROVIDED UNDER THE
23 INTERGOVERNMENTAL AGREEMENT OR OTHER WRITTEN CONTRACT.

24 6. THE TRANSPORTATION SERVICES THAT WILL BE PROVIDED UNDER THE
25 INTERGOVERNMENTAL AGREEMENT OR OTHER WRITTEN CONTRACT AND THE MANNER IN WHICH
26 TRANSPORTATION COSTS WILL BE PAID.

27 7. THE AMOUNT THAT THE JOINT TECHNOLOGICAL EDUCATION DISTRICT WILL
28 CONTRIBUTE TO A COURSE AND THE AMOUNT OF SUPPORT REQUIRED BY THE SCHOOL
29 DISTRICT OR THE COMMUNITY COLLEGE.

30 8. THAT THE SERVICES PROVIDED BY THE JOINT TECHNOLOGICAL EDUCATION
31 DISTRICT, THE SCHOOL DISTRICT, THE CHARTER SCHOOL OR THE COMMUNITY COLLEGE
32 DISTRICT BE PROPORTIONALLY CALCULATED IN THE COST OF DELIVERING THE SERVICE.

33 9. THAT THE PAYMENT FOR SERVICES SHALL NOT EXCEED THE COST OF THE
34 SERVICES PROVIDED.

35 M. ON OR BEFORE DECEMBER 31 OF EACH YEAR, EACH JOINT TECHNOLOGICAL
36 EDUCATION DISTRICT SHALL SUBMIT A DETAILED REPORT TO THE CAREER AND TECHNICAL
37 EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION. THE CAREER AND TECHNICAL
38 EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION SHALL COLLECT, SUMMARIZE
39 AND ANALYZE THE DATA SUBMITTED BY THE JOINT DISTRICTS, SHALL SUBMIT AN ANNUAL
40 REPORT THAT SUMMARIZES THE DATA SUBMITTED BY THE JOINT DISTRICTS TO THE
41 GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT OF THE
42 SENATE AND THE STATE BOARD OF EDUCATION AND SHALL SUBMIT A COPY OF THIS
43 REPORT TO THE SECRETARY OF STATE AND THE DIRECTOR OF THE ARIZONA STATE
44 LIBRARY, ARCHIVES AND PUBLIC RECORDS. THE DATA SUBMITTED BY EACH JOINT
45 TECHNOLOGICAL EDUCATION DISTRICT SHALL INCLUDE THE FOLLOWING:

- 1 1. THE AVERAGE DAILY MEMBERSHIP OF THE JOINT DISTRICT.
- 2 2. THE COURSE LISTINGS AND COURSE DESCRIPTIONS OF COURSES OFFERED BY
- 3 THE JOINT DISTRICT.
- 4 3. THE COSTS ASSOCIATED WITH EACH COURSE OFFERED BY THE JOINT
- 5 DISTRICT.
- 6 4. THE COMPLETION RATE FOR EACH COURSE OFFERED BY THE JOINT DISTRICT.
- 7 5. THE GRADUATION RATE OF STUDENTS ENROLLED IN THE JOINT DISTRICT.
- 8 6. A DETAILED DESCRIPTION OF THE CAREER OPPORTUNITIES AVAILABLE TO
- 9 STUDENTS AFTER COMPLETION OF THE PROGRAM OFFERED BY THE JOINT DISTRICT.
- 10 7. A DETAILED DESCRIPTION OF THE CAREER PLACEMENT OF STUDENTS WHO HAVE
- 11 COMPLETED THE PROGRAM OFFERED BY THE JOINT DISTRICT.
- 12 8. ANY OTHER DATA DEEMED NECESSARY BY THE DEPARTMENT OF EDUCATION TO
- 13 CARRY OUT ITS DUTIES UNDER THIS SUBSECTION.
- 14 N. IF THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF
- 15 EDUCATION DETERMINES THAT A COURSE DOES NOT MEET THE CRITERIA FOR APPROVAL AS
- 16 A JOINT TECHNICAL EDUCATION COURSE, THE GOVERNING BOARD OF THE JOINT
- 17 TECHNOLOGICAL EDUCATION DISTRICT MAY APPEAL THIS DECISION TO THE STATE BOARD
- 18 OF EDUCATION ACTING AS THE STATE BOARD OF VOCATIONAL EDUCATION.
- 19 O. NOTWITHSTANDING ANY OTHER LAW, THE AVERAGE DAILY MEMBERSHIP OF A
- 20 PUPIL WHO IS ENROLLED IN A COURSE THAT MEETS FOR AT LEAST ONE HUNDRED FIFTY
- 21 MINUTES PER CLASS PERIOD AT A CENTRALIZED CAMPUS OWNED AND OPERATED BY A
- 22 JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL BE 0.75.

23 ~~L.~~ P. For the purposes of this section, "base year" means the

24 complete school year in which voters of a school district elected to join a

25 joint technological education district.

26 Sec. 4. Section 15-395, Arizona Revised Statutes, is amended to read:

27 15-395. Enlarging joint district

28 A. To add school districts to a joint district, the joint board shall

29 first publish a copy of a proposed resolution accepting the school district

30 into the joint district in a newspaper of general circulation in the school

31 district proposing to join the joint district once a week for at least two

32 weeks immediately before the date of the consideration of the adoption of the

33 proposed resolution by the joint board.

34 B. After adoption by the joint board of the resolution accepting the

35 school district into the joint district, ~~until December 31, 2001, the~~

36 ~~question shall be submitted to the qualified electors of the district seeking~~

37 ~~to become a part of the joint district at a general election or at any other~~

38 ~~election held on a date prescribed in section 16-204. After December 31,~~

39 ~~2001,~~ the question shall be submitted to the qualified electors of the

40 district seeking to become a part of the joint district at an election held

41 on the first Tuesday after the first Monday in November. The question that

42 is submitted to the qualified electors shall describe the tax rate that is

43 associated with joining the joint district and the estimated cost of that tax

44 rate for the owner of a single family home that is valued at one hundred

45 thousand dollars. Authorization is required through an intergovernmental

1 agreement OR OTHER WRITTEN CONTRACT between the joint district and the
2 district seeking to become part of the joint district in order to enlarge the
3 joint district.

4 Sec. 5. Section 15-782.02, Arizona Revised Statutes, as amended by
5 Laws 2004, chapter 263, section 3, is amended to read:

6 15-782.02. Career and technical education and vocational
7 education programs; expanded hours; tuition

8 A. School districts with career and technical education and vocational
9 education programs may offer vocational educational services without regard
10 to students' age or high school graduation status. ~~Persons over twenty-two~~
11 ~~years of age shall not attend vocational programs in high school buildings~~
12 ~~during regular school hours.~~ THE GOVERNING BOARD OF THE JOINT TECHNOLOGICAL
13 EDUCATION DISTRICT SHALL ADOPT POLICIES THAT PRESCRIBE THE CIRCUMSTANCES
14 UNDER WHICH STUDENTS WHO ARE TWENTY-TWO YEARS OF AGE OR YOUNGER AND PERSONS
15 WHO ARE OVER TWENTY-TWO YEARS OF AGE AND WHO ARE ATTENDING VOCATIONAL
16 PROGRAMS ARE ALLOWED IN THE SAME CLASSROOM AT THE SAME TIME. THE POLICIES
17 SHALL BE DESIGNED TO MAXIMIZE THE SAFETY OF STUDENTS WHO ARE TWENTY-TWO YEARS
18 OF AGE OR YOUNGER AND WHO ATTEND PROGRAMS DURING REGULAR SCHOOL HOURS,
19 INCLUDING REQUIRING THE PRESENCE OF SECURITY PERSONNEL ON CAMPUS. The
20 department of education shall distribute twenty-six dollars for every day
21 that a full-time student attends an extended year or summer school program in
22 a joint technological education district and thirteen dollars for every day
23 that a part-time student attends an extended year or summer school program in
24 a joint technological education district, subject to appropriation except
25 that the department of education shall not distribute monies pursuant to this
26 section for any student who has either graduated from high school or obtained
27 a general education diploma or who has reached twenty-two years of age,
28 whichever occurs first.

29 B. School districts with career and technical education and vocational
30 education programs may operate those programs for more than one hundred
31 seventy-five days per year, with expanded hours of service.

32 C. Career and technical education and vocational education programs
33 run by school districts may charge tuition to offset expenses associated with
34 serving adult students.

35 Sec. 6. Section 15-789, Arizona Revised Statutes, is amended to read:

36 15-789. Contracting and cooperative arrangements for career and
37 technical education and vocational education;
38 advisory committee

39 A. The governing board of a school district may contract with any
40 public body or with any private person for the purpose of providing career
41 and technical education and vocational education. For the purposes of this
42 subsection, school districts are exempt from section 15-213.

43 B. School districts or community college districts may independently
44 or jointly make application for career and technical education and vocational
45 education monies.

1 C. School districts and community college districts may provide for
2 joint cooperation among themselves and with each other and with any
3 educational institution eligible to receive career and technical education
4 and vocational education monies as provided in section 15-784 for the
5 purposes of providing career and technical education and vocational education
6 and for the use of each other's facilities and personnel.

7 D. School districts, among themselves or with community college
8 districts, may jointly purchase, sell, lease or lease-purchase land,
9 buildings or other real or personal property for the purposes of providing
10 career and technical education and vocational education, including
11 establishing a jointly owned and operated vocational and technical center,
12 if:

13 1. The districts enter into an intergovernmental agreement OR OTHER
14 WRITTEN CONTRACT pursuant to section 11-952.

15 2. The state board of education and, if a community college district
16 is a party to the agreement, the governing board of the community college
17 district approve the intergovernmental agreement OR OTHER WRITTEN CONTRACT.

18 E. If one or more school districts, among themselves or with a
19 community college district, enter into an intergovernmental agreement OR
20 OTHER WRITTEN CONTRACT to establish a jointly owned and operated vocational
21 and technical center, the governing boards of the districts shall establish a
22 joint advisory committee for the vocational and technical center consisting
23 of:

24 1. At least one member of each school district governing board or a
25 designated district staff representative appointed by the respective school
26 district governing board.

27 2. If a community college is a party to the agreement, members of the
28 community college district board or designated district staff representatives
29 appointed by the community college district board equal in number to the
30 total number of persons appointed pursuant to paragraph 1 of this subsection.

31 3. Members engaged in commerce or industry in this state equal in
32 number to the total number of persons appointed pursuant to paragraph 1 of
33 this subsection, jointly appointed by the district governing boards.

34 F. A school district and a community college district may jointly
35 accept gifts or grants of monies, land or other real or personal property for
36 the purpose of providing career and technical education and vocational
37 education and may administer or dispose of the property in accordance with
38 the purpose of the gift or grant.

39 Sec. 7. Section 15-910.01, Arizona Revised Statutes, is amended to
40 read:

41 15-910.01. School district budgets; career and technical
42 education and vocational education center expenses

43 A. The governing board of a school district which has entered into an
44 intergovernmental agreement OR OTHER WRITTEN CONTRACT to establish a jointly
45 owned and operated career and technical education and vocational education

1 center as provided in section 15-789 may budget for vocational maintenance
2 and operation expenses which are specifically exempt in whole or part from
3 the revenue control limit for a period of not to exceed three years beginning
4 the first year that the career and technical education and vocational
5 education center is operating and serving students. The governing board
6 shall notify the state board of education before adopting a budget as
7 provided in this section for the first year of operation of the career and
8 technical education and vocational education center to demonstrate that the
9 center is ready to begin operations.

10 B. For each year that a school district is authorized to budget for a
11 joint career and technical education and vocational education center as
12 provided in this section, the district shall determine the budget amount as
13 follows:

14 1. Estimate the average daily membership or adjusted average daily
15 membership for the budget year of students to be enrolled in courses held at
16 the joint career and technical education and vocational education center
17 pursuant to sections 15-901 and 15-902.

18 2. Multiply 0.142 by the base level and multiply this product by the
19 average daily membership or adjusted average daily membership as determined
20 in paragraph 1 of this subsection.

21 C. Before May 15, school districts which overestimate the average
22 daily membership as provided in subsection B, paragraph 1 of this section
23 shall adjust the general budget limit and expenditures based on the actual
24 average daily membership during the current fiscal year. School districts
25 which underestimate the average daily membership may adjust their budgets
26 before May 15 based on the actual average daily membership during the current
27 fiscal year. Procedures for completing adjustments shall be prescribed in
28 the uniform system of financial records. Not later than May 18, the budget
29 as revised shall be submitted electronically to the superintendent of public
30 instruction.

31 D. A governing board which budgets for career and technical education
32 and vocational education center expenses pursuant to this section shall:

33 1. Prepare and employ a separate maintenance and operation budget for
34 the career and technical education and vocational education center on a form
35 prescribed by the superintendent of public instruction in conjunction with
36 the auditor general. The budget format shall be designed to allow a school
37 district to plan and provide in detail for expenditures to be incurred solely
38 for the maintenance and operation of the career and technical education and
39 vocational education center.

40 2. Prepare as a part of the annual financial report a detailed report
41 of expenditures incurred solely for the maintenance and operation of the
42 career and technical education and vocational education center.

1 E. The part of the primary tax rate set to fund the vocational
2 maintenance and operations expenses as provided in this section shall not be
3 included in the computation of additional state aid for education as
4 prescribed in section 15-972.

5 Sec. 8. Current board members of joint technological education
6 districts

7 The prohibitions contained in section 15-393, subsection A, paragraph
8 3, Arizona Revised Statutes, as amended by this act, do not apply to any
9 member elected or appointed to the governing board of a joint technological
10 education district before the effective date of this act.

11 Sec. 9. Intergovernmental agreement or other written contract
12 implementation

13 Each joint technological education district shall start the process of
14 intergovernmental agreement or other written contract implementation as
15 required by this act no later than July 1, 2006 and shall complete this
16 process no later than June 30, 2007.

17 Sec. 10. Retroactivity

18 A. Section 15-393, subsection 0, Arizona Revised Statutes, as amended
19 by this act, applies retroactively to from and after July 31, 2005.

20 B. Section 9 of this act is effective retroactively to from and after
21 June 29, 2006.